

CHIP 90 Day Waiting Period

I. Background

- *What is the 90-day waiting period and why did Indiana adopt it?*

The 90-day waiting period is federally permitted, and state mandated (Indiana), time period an otherwise CHIP-eligible child must wait and be uninsured after **voluntarily** dropping other **creditable health insurance**. As of January 2020, there are 13 states that still have waiting periods for their CHIP programs, which is down from 37 states in 2013. Indiana's 90-day waiting period only applies to children with an income between 158% - 250% FPL.

II. Data:

A	B	C	D	E
Metric	2017	2018	2019	2020
Total denied with reason code 895/EL9102 or 896/EL9104 present	4,164	4,543	4,032	1,546
Total denied with reason code 895/EL9102	4,142	4,515	4,020	1,544
Total denied with reason code 896/EL9104	22	28	12	2

Legend:

895/EL9102 = Child Has Creditable Health Insurance

896/EL9104 = Voluntarily Dropped Creditable Health Insurance

*The State suspended the 90-day waiting period starting in March 2020 for COVID-19 flexibilities.

III. Authorities: Laws, Regulations, and Federal agreements

- *Social Security Act*
 - Section 2102(b)(3)(C)
 - Requires states to include in their state plan a description of how the state ensures that CHIP coverage does not substitute for coverage under group health plans.
- *Code of Federal Regulations*
 - 42 CFR 457.805
 - Waiting period cannot exceed 90 days
 - 42 CFR 457.805(b)
 - Requires states to adopt certain exemptions to any waiting period.
 - States could further adopt optional exemptions
 - 42 CFR 457.340(d)(3) and 457.350(i)
 - Require states to implement processes ensuring a smooth and seamless transition to other insurance affordability programs for which children may be eligible during a waiting period.
- *Indiana Code*
 - IC 12-17.6-4-4: Powers of office; cost sharing and crowd out
 - Sec. 4. The office may do the following:
 - (1) Determine cost sharing amounts.
 - (2) **Determine waiting periods that may not exceed three (3) months and exceptions to the requirement of waiting periods for potential enrollees in the program.**

